Committee on Ways and Means

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Floor Statement of Chairman Bill Thomas

H.R. 3005, "The Bipartisan Trade Promotion Authority Act of 2001"

As prepared for delivery

Trade promotion authority for the President is the key to creating greater and more prosperous interactive world trade. America's economic strength depends on an unimpeded ability to compete fairly in international markets.

H.R. 3005, the Bipartisan Trade Promotion Authority Act of 2001, demonstrates our powerful commitment that American business will have a fair chance to compete and win in an increasingly challenging international environment. This critical legislation will establish a solid partnership between the President and Congress regarding the conduct of future trade negotiations. I want to thank my colleagues John Tanner, Bill Jefferson and Cal Dooley for their contributions in crafting a bipartisan compromise.

Who pays the price if the President's authority to negotiate trade agreements with the promise of an up or down congressional vote is not restored? America's farmers, workers, manufacturers, service providers and families, that's who. They're the ones whose jobs are on the line. They're the ones who will find that the gate to important new markets is locked but open for their foreign competitors. Each international trade agreement that excludes the United States represents an opportunity lost for American workers.

With TPA, America's influence will reach farther beyond our borders, motivating other nations to reform their economies and offer greater freedom to their people. An aggressive, activist approach in negotiating trade agreements is critical to advancing these long term economic and foreign policy interests. Such a course enables us to build coalitions that promote common interests among nations, as we did in the months leading up to the World Trade Organization meeting in Doha.

In Doha, the United States succeeded in breaking the deadlock that came out of the 1998 Seattle WTO meeting. It was the United States that led 142 countries to agree to launch new global trade negotiations that offer great promise for American exporters. For example, at stake in agriculture is the opportunity to ratchet back the $6 billion of European agricultural export subsides that swamp U.S. farmers trying to compete in foreign markets on an even playing field.

But deadlines are looming. To be in a position to achieve the best result for America's workers, businesses, farmers, and ranchers, the President's team needs H.R. 3005. For example: January 31, 2002, countries will set out the schedule for WTO trade talks. Beginning in January 2002, the United States will be formulating and tabling our WTO negotiating proposals to further open world markets to U.S. farm products, services, and manufactured goods. By showing leadership now, we will enhance the likelihood of our proposals being accepted. In May 2002, market access negotiations begin for the Free Trade Agreement of the Americas (FTAA), another important trade initiative

Our trading partners have stated clearly the importance of TPA. Pascal Lamy, the European trade negotiator, has said that without it, negotiations will not move forward: "If [the President] does not get 'fast track' authority fairly quickly, then no one will negotiate. . . . Useful negotiations won't be able to commence without fast-track authority."

Trade improves the quality of every American's life. 12 million people whose employment depends on exports will see their job security enhanced by passage of this bill. Countless potential new jobs that pay 13 to 18 percent more than the average national wage will also be created. Store shelves will offer lower prices and greater choice across a wide range of products.

In particular, small and medium-sized businesses -- employing three out of every four workers – will receive a substantial impetus to innovate, expand and create jobs as a result of new trade agreements negotiated under TPA.

Ninety six percent of the world's consumers live outside our borders. We cannot afford to stand at the sidelines as the rest of the world taps that huge market and reaps the economic benefits of interactive trade with its neighbors.

The bill before us achieves several fundamental goals in establishing a framework for trade agreements. It includes a negotiating objective to ensure that countries enforce their own labor and environmental standards. It preserves U.S. sovereignty. It has a strong framework for enforcement. And it preserves the role of Congress in approving trade agreements through an extensive consultation process before, during and after negotiations.

This provision for Congressional consultation – an area of significant concern for some Members - has intensified and tightened consultation far beyond anything we have had before. It requires the President to consult with Congress at every step of the negotiating process, and exposes him to revocation of this negotiating authority if he fails to communicate or does not make progress in meeting the objectives we lay out.

Throughout the development of this legislation, we have reached out to forge a bill that would bring Members from both sides of the aisle to common ground. This is a finely crafted and well-balanced compromise that reflects months of hard work and commitment, and the contributions of many Members of both parties.

As 2001 draws to a close, the momentum toward open markets is unstoppable. The only real question is whether the U.S. will be a part of the action. And this is in your hands.

In the end, taking a look at the basics makes a complicated situation clearer. Why vote for a bill to facilitate free trade, and in particular, why this one?

Because open trade is the only way forward for America at the dawn of the 21st century. And because TPA is the key to the gate. It generates economic growth. That means jobs. It promotes innovation and competition. That means higher paying jobs. It strengthens the economic values that form the foundation of our democracy and sustain our national prosperity. And that means we remain economically strong.

It's that simple.

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